Cleaning up the Neighborhood: Vacant properties act like undertow, pulling down values
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Look hard past the scrawled graffiti and overgrown weeds, beyond the shattered windows and gouged walls, the rotting linoleum and charred rubble of what used to be a bedroom, and there still are vestiges of what once was a stately house here in Logan Heights.

Ornamental carvings on the banister, faded molding around the doors and the white-columned front porch betray the former dignity of this 75-year-old house at the corner of 30th Street and Logan Avenue.

But today this aging, diseased dowager is just another vacant, boarded-up structure, its innards damaged by scavengers, drug users and transients. The owner, a San Ysidro woman, says she has given up any hope of trying to renovate the two-story home and now is trying desperately to sell it.

"This is a little more than a fixer-upper," said San Diego Police Sgt. David Ramirez after tramping through the house, its soiled carpet littered with syringe caps and balloons used to package heroin. "Once there's a vacant structure in the neighborhood, people will congregate here or transients will sleep here. It's like rats moving into a new house.

"The neighbors see the transients, the narcotics activity, and they want something done to the property. They don't want something like this in their neighborhood."

The abandoned buildings compound the problems of neighborhoods already gripped in a fierce battle to fend off the urban woes of gangs, graffiti and drugs.

To community activists, real estate professionals, police and housing officials, these abandoned buildings are festering sores that, left untreated, can spread insidiously and ravage whole neighborhoods.

In an effort to stop the blight and save neighborhoods at risk, the city has formed a task force on vacant structures.

The problem of abandoned houses has come to the forefront as a byproduct of an economy gone sour and of lax owners who make little effort to screen tenants and maintain properties.

The empty structures quickly are transformed into shooting galleries for drug users, flophouses for transients and havens for thieves, who strip the properties of their sinks, toilets, appliances, even the copper plumbing.

"They're probably one of the largest contributors to the decline of single-family neighborhoods," said the San Diego Housing Commission's Rand Stewart. "Once you lose owner-occupants, you have the potential of losing pride in a neighborhood."
"When you don't control your properties and rent to the first person that gives you cash, you've got a problem. I've seen 5-year-old buildings that are just trashed. All it takes is one drug dealer in one building and all your good tenants are going to leave."

**Broken windows**

Talk to Norm Stamper, San Diego's executive assistant police chief, and he's quick to cite what he likes to call the "broken window" theory, an apt metaphor for the gradual decline of neighborhoods, he says.

"A broken window in a neighborhood, left unrepaired, is an invitation to a second broken window, an invitation to physical deterioration," he said. "You go from a respectable community to one that's aesthetically ugly and is in the process of becoming a breeding ground for criminal activity. Like the broken window, it's the neglect that triggers additional neglect.

"When you walk through a neighborhood with vacant structures, you're walking through a neighborhood that feels unsafe."

Stamper is among those on a task force that includes representatives from the Housing Commission, city manager's office, real estate and building industries, City Councilman John Hartley's office and the city's neighborhood code compliance department.

Although the problem of vacant structures is considered an issue of citywide concern, the group initially is zeroing in on the communities of Logan Heights and City Heights, where the problem is most acute.

The task force, still in the early stages of its work, admittedly is charged with a Herculean task. Not only must it balance property rights and the pressing needs of communities, but also it must seek solutions that do not rely on city funds, which already are stretched thin.

Members of the task force have talked generally about government and private enterprise forging a partnership to address the problem and are looking at creative approaches that have been tried in other cities. Still, no firm answers have emerged yet.

"The feeling is that the system is weighed heavily toward property owners and not enough toward the communities that have to live with the problem," said City Manager Jack McGrory. "One of the questions is what leverage do we have to require property owners to make repairs. Also, we're mired in this depression, so the demand for our services in code enforcement is rapidly increasing and yet we have to cut back (financially). That makes it real tough."

Community activists such as Al Ducheny of Logan Heights have grown impatient and are worried that without the attention of the city, San Diego's inner-city neighborhoods will be forever doomed to poverty and crime.

"If we're serious about avoiding the kind of stuff that happened in Los Angeles (during the riots), then we have to get serious about changing conditions in these communities, and one of the problems is these abandoned buildings that are breeding grounds for drugs and crime," said Ducheny, who was one of the main forces behind getting the task force formed. "I don't have any hope that a bunch of money will drop in here, but if this is allowed to continue, you're going to have one hell of a ghetto in Logan Heights."
City code enforcement officials concede they are hard-pressed to keep up with the growing number of abandoned houses that require frequent attention. And property owners, faced with a stagnant real estate market, often walk away from these properties, unable to pay mortgages, much less make improvements on already deteriorating structures.

Simply researching the ownership of the distressed houses and apartment buildings can be time-consuming, especially when many of these homes have gone into foreclosure and have been taken over by banks or the Resolution Trust Corp.

"We don't have the resources to go out and look for abandoned buildings," said Bill Nelson, head of Neighborhood Code Compliance. "But it is one of those issues we just can't get away from. Unless we can get these places back on the market, someone will always find a way to get back into them. And there's not much we can do in terms of forcing a property owner to improve his property because of the property rights issue.

"Still, I don't think anyone has a right to own property that is an eyesore and a nuisance in the community. Kids see it and they want to play there and when you've got needles and feces lying around, it's not a pretty sight."

Clean it up

No one in the city has any firm figures on how many vacant or abandoned structures there are in San Diego. The 1990 census, however, found that of 25,600 vacant apartments, condos and homes in the city of San Diego -- including temporarily unrented houses or apartments -- 498 were boarded up. City officials guess that the figure has grown since then.

While the city would like to reach the point where it could get vacant structures rehabilitated and converted into affordable housing, city workers say they have a hard enough time simply ensuring that the buildings are properly boarded and secured. And although the city conceivably could force properties into foreclosure, it does not have the resources nor staffing to manage real estate, officials point out.

San Diego does have an ordinance it can invoke to require a property owner to clean up and secure an abandoned structure within 10 days. If the owner fails to take action, the city can go in and do the work itself and assess the owner the costs.

City funds for "boarding and securing," however, are limited to only $50,000 a year, and a single property can cost as much as $5,000 to $15,000 -- money that only occasionally is recouped by the city.

Since 1990, the city has boarded up 38 properties at a cost of $112,000, of which only $24,000 has been recovered, according to Frank Hafner, deputy director of housing and code enforcement. If repayment is not secured, a lien is placed on the property in hopes of recovering the costs at the time it is sold, Hafner said.

Some complain that the enforcement effort has become too fragmented, with the city attorney's office, police department and code enforcement officials all individually tackling an admittedly complex, time-consuming problem.

At one time, there was one person in the fire department whose sole responsibility was vacant structures, but that position no longer exists, said Joe Schilling, who oversees the city attorney's
code enforcement unit.

"To go secure all the vacant buildings would take hundreds of thousands of dollars and the city doesn't have that money," Schilling said. "Right now, the city's efforts have been focused almost 100 percent on getting buildings boarded and secured. Once a property is secured, there isn't much legal authority nor economic incentive to rehabilitate these properties.

"I can't order the bank to invest $30,000 in a property that's not even worth $30,000. I can't force the bank to lose money. That's one of the major problems confronting this task force -- to see how these properties can be rehabilitated and made livable again. Every day you delay, it has a significant effect on the neighborhood."

Schilling said Detroit offers a program that lets an individual or non-profit group take over a vacant property after agreeing to rehabilitate it and live there for at least five years. If the owner wants to reclaim the building, the owner must pay off the cost of renovation or lose title to the property, he said.

Finding pride

A quick tour of the dozens of vacant buildings in Logan Heights and City Heights might persuade some observers that bulldozing would be more appropriate urban renewal than trying to salvage battered properties.

To walk into many of these houses and apartments is an assault on the senses. Frequently, living rooms have been converted into makeshift restrooms, and the smell of rancid food mingles with the overpowering odor of human excrement. Swarming flies are commonplace, carpeting typically has been ripped away and the floors often are littered with needles, lighters and other drug paraphernalia.

The back yards, overgrown with dried brush, have become dumping grounds for old rotting furniture, discarded clothing and newspapers.

Police officer Ed Henry, who regularly patrols the City Heights area, pokes his head into an open unit in a seven-unit stucco complex that has been boarded up with thin plywood.

"Hey, what's up? I thought you were out of here," Henry says, speaking to a young woman surrounded by mounds of clothes, mattresses and scattered furniture in a darkened living room. She appears to be tossing clothing into a cardboard box.

"You know, the marshal's going to come and kick you out," he warns, talking to her like a reproving parent. "I've told you this several times."

The woman, a squatter, makes feeble excuses and continues to pack.

"I've offered to help her find places to live," Henry explains after closing the door. "And she's always doing the same thing, in the same place, with the boxes packing."

Henry's partner, officer Natalie Stone, shakes her head in disgust as she gestures to a stretch of Van Dyke Avenue, where old Craftsman-style homes are interspersed with bulky apartment complexes. Boarded-up buildings are a common sight.
“No one in their right mind would want to move here with all this stuff, and that’s the problem,” she said. “The only way for things to change is to have a little pride.”

Until recently, Joe Filippi Jr. had owned a six-unit complex in Logan Heights, but he sold the building after growing weary of the repeated break-ins that were destroying the property. Filippi, who boarded up the building a few months ago, said the decline of the property clearly was precipitated by irresponsible tenants who were using drugs.

“Three of the units were totally demolished,” said Filippi, who sold the complex to someone who plans to rehabilitate it and rent it out again. “They went to the bathroom in the middle of the living room even though the bathroom was workable. I just looked at it and shook my head.

“I didn’t want to go through all the misery of fixing it up, because I think they can destroy it as quickly as you fix it and it’s pouring money down the drain.”

Where others see properties beyond hope, Bernardo Diaz sees potential for rehabilitation. Just recently, Diaz, an investor, purchased a run-down 16-unit complex in Logan Heights that had gone into foreclosure. The complex, which was appraised at $500,000 in 1987, was sold for roughly $150,000.

Boarded up for several months, the building shows clear signs of neglect. It has been damaged by fire and a roof is partially collapsed. Discarded drug paraphernalia is easily visible among the debris scattered throughout the walkways. All the units were stripped of their sinks, toilets and bathtubs, Diaz said.

“If I went to any general contractor, they’d say, ‘You’re crazy, just knock it down,’” said Diaz, who expects to spend between $150,000 and $250,000 to renovate the units. “I know how to control my tenants. If you don’t do it right, you go into foreclosure and the drug dealers come in.”

International Savings Bank, which sold Diaz the complex, never was notified by the city that there were problems with the property and only discovered it was boarded up while making a routine visit there, said David Smyle, a vice president with the Mission Valley-based bank.

“Unfortunately, lenders can’t take a look at all their properties once a month, and a property can deteriorate very quickly,” Smyle said. “But we want to work with the city and if you give lenders a chance, we can maybe do something about the problems and protect our collateral -- and save the city some headaches.”

Despite the monumental challenge facing them, community activists and city officials say they are encouraged by the task force effort.

“This is the first time I’ve seen the city put this kind of effort into this problem,” said the Housing Commission’s Stewart. “I’m in these neighborhoods all the time, and I just shake my head. This is the first bright light I’ve seen in a long time.”
Caption: 4 PICS
1. Graffiti target: Boarded-up structures like this Logan Heights home are easy prey for thieves, drug users and graffiti artists. Property owners complain they can't stay ahead of the intruders.
2. Neglected home: This City Heights house is typical of the vacant properties that frequently are overgrown with weeds and become dumping grounds for rubbish. 3. Fixer-upper: Bernardo Diaz (right) and his brother and partner, Alex, survey the damage to a vacant 16-unit apartment complex in Logan Heights that they plan to rehabilitate. 4. Burned out: Al Ducheny, chairman of the Harbor View Community Council, inspects damage in abandoned house in Logan Heights. (H-9) 1,2,4. Union-Tribune / JAMES SKOVMAND 3. Union-Tribune / DON KOHLBAUER

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